

State of Alaska FY2007 Governor's Operating Budget

Department of Health and Social Services Senior and Disabilities Services Results Delivery Unit Budget Summary

Senior and Disabilities Services Results Delivery Unit

Contribution to Department's Mission

The mission of the Division of Senior and Disabilities Services is to promote the independence of Alaska's Seniors and people with physical and developmental disabilities.

Core Services

- 1) Institutional and community-based services for older Alaskans and persons with disabilities.
- 2) Protection of vulnerable adults.

End Results	Strategies to Achieve Results
A: Improve and enhance the quality of life for seniors and persons with disabilities through cost-effective delivery of services. <u>Target #1:</u> Reduce % of Medicaid recipient not receiving medical assessments to less than 5%. <u>Measure #1:</u> % of clients not receiving medical review.	A1: Arrange for beneficiaries to receive a medical assessment to determine what services they are eligible for and at what level. Through prior authorization process, ensure beneficiaries only receive the services they are eligible to receive.
End Results	Strategies to Achieve Results
B: Promote improved service and compliance with federal/state regulations through provider agencies.	B1: Develop, implement and maintain an on-going system of review and improvement through Technical Assistance Plans for each grantee and provider agency. Provide 8 care coordination training sessions each year in Alaskan communities. <u>Target #1:</u> Reduce incidence and severity of errors resulting in audit findings by 10% by providing adequate training to provider agencies. <u>Measure #1:</u> Show an overall reduction in error rates from audit findings for current rate by 10%.
End Results	Strategies to Achieve Results
C: Ensure manageable caseload number in Adult Protective Services and Quality Assurance Units to provide timely investigations. <u>Target #1:</u> Reduce APS staff assigned case loads by 10% and length of time a case is "open" by 10%. <u>Measure #1:</u> Average length of time required to close a case in days per worker.	

FY2007 Resources Allocated to Achieve Results

FY2007 Results Delivery Unit Budget: \$341,049,400

Personnel:

Full time	84
Part time	1
Total	85

Performance Measure Detail

A: Result - Improve and enhance the quality of life for seniors and persons with disabilities through cost-effective delivery of services.

Target #1: Reduce % of Medicaid recipient not receiving medical assessments to less than 5%.**Measure #1:** % of clients not receiving medical review.

DSDS FY05

Medicaid Recipients

Medical Review by State Staff or Contractor

Medicaid Programs	Unduplicated Counts	Oversight Status
Adults with Physical Disabilities	887	Oversight
Older Alaskans	1336	Oversight
Mental Retardation and Developmental Disabilities	988	Oversight
Children with Complex Medical Conditions	208	Oversight
Skilled Nursing Facilities	1024	Oversight
PCA	1987	No Oversight
Total Recipients:	6430	

The table shows that 1,987 of 6,430 recipients (30.9%), did not receive a medical review by state staff or contractor.

% of Clients who have not received a Medical Review

Fiscal Year	% Not Reviewed
FY 2005	30.9%

Analysis of results and challenges: The Personal Care Attendant Program is the only Medicaid program that has not required a state-approved medical assessment to receive services. Implementation of new regulations in early 2006 will require a state-approved medical assessment and prior authorization of Medicaid benefits ensuring that beneficiaries are only receiving the services they are eligible to receive.

A1: Strategy - Arrange for beneficiaries to receive a medical assessment to determine what services they are eligible for and at what level. Through prior authorization process, ensure beneficiaries only receive the services they are eligible to receive.

B: Result - Promote improved service and compliance with federal/state regulations through provider agencies.

B1: Strategy - Develop, implement and maintain an on-going system of review and improvement through Technical Assistance Plans for each grantee and provider agency. Provide 8 care coordination training sessions each year in Alaskan communities.

Target #1: Reduce incidence and severity of errors resulting in audit findings by 10% by providing adequate training to provider agencies.

Measure #1: Show an overall reduction in error rates from audit findings for current rate by 10%.

PCA Summary of Myers & Stauffers November 14, 2005	Population Claims		Sample Claims			
	Paid Claims	Medicaid Payments	Medicaid Payments		Sample Overpayments	Error Rate
	C	D	E	F	G	H=G/F
Skilled Nursing	906	\$9,460,643	117	\$1,297,000	\$110,841	8.55%
HCB	24058	\$29,994,121	351	\$947,189	\$175,471	18.53%
Assisted Living	558	\$1,450,814	274	\$692,416	\$181,935	26.28%
Care Coordination	3229	\$670,320	240	\$49,745	\$8,075	16.23%
Personal Care	8255	\$9,805,574	212	\$242,476	\$34,958	14.42%
DSDS Totals	37006	\$51,381,472	1194	\$3,228,806	\$511,280	15.83%

Analysis of results and challenges: The chart shows programs that have been audited by Myers & Stauffer and the dollar amount of the audit exceptions that have been assigned to each program. These audit numbers are preliminary until the provider agencies have had a chance to respond, so these numbers should decrease as providers respond to the findings. However, it does give us a base line to work from.

C: Result - Ensure manageable caseload number in Adult Protective Services and Quality Assurance Units to provide timely investigations.

Target #1: Reduce APS staff assigned case loads by 10% and length of time a case is "open" by 10%.

Measure #1: Average length of time required to close a case in days per worker.

Annual Adult Protective Services Caseloads

Fiscal Year	Total Investigations	# Full-time Workers	Annual Cases per Worker
FY 2004	1173	7	168
FY 2005	1497	7	214
	+27.62%	0%	+27.38%
FY 2006	1683	7	240
	+12.42%	0%	+12.15%

* FY06 reflects estimates only.

Analysis of results and challenges: The annual caseload for an Adult Protective Services (APS) Worker has grown by more than 20% between FY04 and FY05. In FY05 the annual number of cases per worker was 214. The case workers averaged more than 100 open cases at any given time. APS case workers are handling a case load of more than 4 times the national average. This means that the average case was not investigated for 6 days and was not concluded for 63 days. It is the goal of the Division to keep the caseload down to FY04 levels or lower. While APS workers practice triage in managing their caseloads the resulting average of 6 days waiting for initial contact to be made is too slow and may lead to very negative results for a vulnerable adult.

In FY05, the average response time for Investigations was 6 days, and the average days a case was open is 63 days.

Key RDU Challenges

Key issue for the Division of Senior and Disabilities Services is cost containment of the Medicaid Waiver and Personal Care Attendant (PCA) programs. To accomplish this the division is:

1. Implementing regulations that will establish uniform accounting practices and reasonable reimbursement levels for necessary Medicaid waiver services; reimburse providers based upon each service provided rather than the “bundling” of services which has been the existing practice for the Mental Retardation/ Developmental Disabilities and Children with Chronic Medical Conditions Waivers.
2. Strengthening the Quality Assurance Unit including random audits, utilization reviews, and client satisfaction interviews to ensure program compliance, quality of services and detection of suspected fraud.
3. Development of professional staff to allow for integration of waiver processing of all waivers.

Significant Changes in Results to be Delivered in FY2007

The division will work to maintain Medicaid services through a combination of refinancing and cost containment so that core services can be maintained for all eligible groups. The division promulgated regulations to help contain costs. It also established a committee consisting of state employees and providers to develop a cost methodology base. The Division contracted with a national organization to perform an evaluation of programmatic and financial aspects of the long term care system in Alaska. Results from this study will be analysed and presented during the 2006 legislative session and regulations will be implemented during FY06 and FY07.

One of the major cost containment measures that the division is undertaking in FY06 and in FY07 is to implement assessments and prior authorization of payments for the Personal Care Attendant program. The Division anticipates this will result in significant cost savings in the Personal Care Attendant program. An increment has been requested to fully fund assessment contracts for the Personal Care Attendant program in FY07.

Additional resources are being added to strengthen the Adult Protective Services and the Quality Assurance program. Over 1,385 vulnerable adults received service in FY05. The Division anticipates this will help the Adult Protective Services maintain maximum responsiveness to reports of harm to this vulnerable population and enable the Quality Assurance program to keep up with reports of Medicaid fraud.

Major RDU Accomplishments in 2005

During FY05, the Division of Senior and Disabilities Services provided home and community based services to more than 4,000 individuals and their families. By providing these services in the community setting, we were able to delay the entry of these individuals into institutions.

Also in FY05, the division provided services to 1,150 individuals in Nursing Homes.

The division continued to provide technical assistance to Assisted Living Homes and to communities for the expansion of Home and Community Based services. They also continued working on workforce development projects for the recruitment and retention of direct service workers.

The Division initiated several different audits of the Personal Care Attendant program. Results from these audits have resulted in proposed Medicaid regulation changes in this program that should curb growth in this program.

Contact Information

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Senior and Disabilities Services RDU Financial Summary by Component

All dollars shown in thousands

	General Funds	FY2005 Actuals Federal Funds	Other Funds	Total Funds	General Funds	FY2006 Management Plan Federal Funds	Other Funds	Total Funds	General Funds	FY2007 Governor Federal Funds	Other Funds	Total Funds
Formula												
Expenditures												
Senior/Disabilities Medicaid Svc	106,201.3	151,537.9	206.2	257,945.4	101,873.5	147,164.0	1,375.0	250,412.5	125,181.1	179,546.4	1,375.0	306,102.5
Non-Formula												
Expenditures												
Senior/Disabilities Svcs Admin	2,932.4	4,863.5	128.6	7,924.5	4,150.1	5,689.0	170.2	10,009.3	4,735.6	6,591.3	63.5	11,390.4
Protection and Comm Svcs	2,902.8	0.0	0.0	2,902.8	3,088.7	0.0	0.0	3,088.7	3,088.7	0.0	0.0	3,088.7
Nutrition, Transp & Support Svcs	777.0	4,869.1	0.0	5,646.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Senior Community Based Grants	0.0	0.0	0.0	0.0	4,531.9	6,043.4	540.3	11,115.6	4,531.9	6,043.4	465.3	11,040.6
Home and Community Based Care	2,973.2	916.8	824.7	4,714.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Senior Residential Services	1,015.0	0.0	0.0	1,015.0	815.0	0.0	0.0	815.0	815.0	0.0	0.0	815.0
Community DD Grants	7,469.2	0.0	937.6	8,406.8	7,697.3	0.0	929.9	8,627.2	7,697.3	0.0	914.9	8,612.2
Totals	124,270.9	162,187.3	2,097.1	288,555.3	122,156.5	158,896.4	3,015.4	284,068.3	146,049.6	192,181.1	2,818.7	341,049.4

Senior and Disabilities Services
Summary of RDU Budget Changes by Component
From FY2006 Management Plan to FY2007 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	122,156.5	158,896.4	3,015.4	284,068.3
Adjustments which will continue current level of service:				
-Senior/Disabilities Svcs Admin	106.5	120.6	-110.0	117.1
Proposed budget decreases:				
-Senior/Disabilities Svcs Admin	0.0	0.0	-1.2	-1.2
-Senior Community Based Grants	0.0	0.0	-75.0	-75.0
-Community DD Grants	0.0	0.0	-15.0	-15.0
Proposed budget increases:				
-Senior/Disabilities Medicaid Svc	23,307.6	32,382.4	0.0	55,690.0
-Senior/Disabilities Svcs Admin	479.0	781.7	4.5	1,265.2
FY2007 Governor	146,049.6	192,181.1	2,818.7	341,049.4